

*Social Security Benefits for Women Aged 62 or Older, December 1996**

In the four and a half decades between 1940 and 1996, there has been a dramatic increase in the number of women in the Nation's work force (persons working or looking for work). Nearly 14 million women accounted for one-fourth of the work force in 1940. This number increased to 23.2 million in 1960, or 33 percent of the labor force. In 1996, about 62 million women represented 46 percent of the total work force (table 1). Not only has the number of working women increased more than three-fold since 1940, but employment patterns of women have also changed. Women are more likely to spend more years working and have also moved into occupations that require full-time, year-round work.'

This increased labor force participation has a direct impact on Social Security benefit entitlement—the types and amounts of Social Security benefits received by women aged 62 or older. This note briefly describes these benefits. Data are derived from the Social Security Administration's principal administrative benefit data file, the Master Beneficiary Record.²

Benefit Entitlement

In 1996, 21 million women aged 62 or older received Social Security benefits. Women in this age group were generally entitled to Social Security benefits in one of three ways:

- (1) Solely as retired or disabled workers whose entitlement was based on their own earnings record. Their worker's benefit usually exceeded any amount to which they may have been entitled on their husband's earnings record if they were or had been married.
- (2) Solely as wives or widows whose entitlement is based on their husband's earnings record. These women usually did not have enough covered employment to qualify for benefits as workers.'
- (3) Dually entitled on the basis of their own earnings and those of their spouses. Because the amount of their worker's benefit is less than their benefit as a

wife or widow, they receive the worker's benefit plus the difference between that amount and the benefit they would receive as a wife or widow. They cannot receive both the full worker's benefit and the full wife's benefit or widow's benefit.

Women entitled to benefits solely as workers and those who were dually entitled are both regarded as workers in benefit statistics; women entitled to benefits only as wives or widows are counted as such. In 1996, 13.1 million women aged 62 or older were entitled as workers, including 7.6 million entitled solely on their own earnings records, and 5.5 million who were dually entitled. About 7.8 million were entitled to benefits as wives or widows only (table 2).

Insured Status

Because the Social Security program provides work-based benefits, to qualify for retired-worker benefits a woman must be fully insured; that is, she must have earned sufficient quarters of coverage under OASDI-covered employment. In addition to fully insured status, other requirements must be met for entitlement to disabled-worker benefits. A corollary of the yearly growth in labor force participation of women, mentioned above, is the substantial increase in the number of women who have gained fully insured status.

Between 1970 and 1996, the number of women workers, regardless of age, who were fully insured increased from 45.4 million to 83.8 million—an increase of 85 percent—and the number of fully insured women aged 65 or older increased by 140 percent—from 5.8 million to 13.7 million (table 3). Comparable percentage increases for men during this period were 44 percent and 66 percent, respectively. In 1996, 67 percent of the total female population aged 65 or older were fully insured, compared with 55 percent in 1980. However, more than 90 percent of the male population were fully insured in both years.

Benefit Entitlement, 1960-96

Women's increased labor force participation and the consequent increase in their insured status has resulted in changes in benefit entitlement over the past 35 years. In 1960, 43 percent of women were entitled to a worker benefit. This percentage increased to 51 percent in 1970 and 63 percent

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in 1996. There was a corresponding decline in the percent entitled solely to spousal benefits—from 57 percent in 1960 to 37 percent in 1996 (table 2).

The increase in retired-worker entitlement has been accompanied by a substantial rise in the percentage of women who were dually entitled—from 5 percent in 1960 to 26 percent in 1996. Thus, spousal benefits remain important for many women even though they have enough Social Security coverage to become entitled on their own earnings records. The percentage of women entitled solely as workers increased from 39 percent in 1960 to 42 percent in 1970, then gradually declined over the next 26 years to 36 percent in 1996.

Beneficiary Experience, 1996

In 1996, 18.8 million women aged 65 or older received Social Security benefits; their average monthly benefit was \$634. For the 11.8 million women qualifying for retired-worker benefits, the average monthly benefit was \$657. The 6.6 million worker-only beneficiaries received a monthly benefit of \$635 (table 4).

An additional 5.2 million women were dually entitled—entitled to both a retired-worker benefit and a spousal benefit. These women were entitled to a benefit based on their own earnings, which was less than their benefit as a wife or widow. Monthly benefits for this group averaged \$684—\$448 for the 2.1 million dually entitled as wives and \$846 for the 3.1 million dually entitled as widows.

About 7.1 million women were entitled to benefits as a wife or widow only (spousal benefits). Benefits averaged \$391 per month for those entitled as wives and \$712 for those entitled as widows. Most of these beneficiaries typically had not worked long enough in covered employment to qualify for retired-worker benefits.

In general, the younger the age group, the larger the percentage of women entitled as workers; the older the age group, the greater the likelihood of entitlement solely as wives or widows. Furthermore, among women entitled as workers in the younger age group, about one-fourth (24 percent) were dually entitled, while two-fifths (40 percent) were entitled as workers only, compared with 25 percent and 33 percent, respectively, among those aged 90 or older. As would be expected, the percentages of women receiving wives' benefits decreased substantially with age, while those with widows' benefits correspondingly increased.

Among all age groups, benefits averaged highest for women dually entitled to widows benefits. For example, among beneficiaries aged 75-79, average benefits for dually entitled widows were \$876.70, compared with \$73 1.60 for

those entitled solely as widows and \$635.30 for those entitled only as retired workers.

Benefit Levels, 1996

The amount of Social Security benefits one receives is based on the worker's primary insurance amount (PIA). The PIA is related to the worker's earnings in employment or self-employment covered under Social Security. The full PIA is payable to a retired worker who begins to receive benefits at age 65, or to a disabled worker who has never received a retirement benefit reduced for age. Retired workers can receive benefits as early as age 62, but the benefit is reduced by 5/9ths of 1 percent for each month of entitlement between ages 62 and 65. Wives of workers can receive up to 50 percent of their husbands' PIA; widows may receive up to 100 percent of the deceased worker's PIA.

In 1996, more than one-fourth (27 percent) of all retired-worker women had PIAs less than \$400, compared with only 7 percent of all men. About half (52 percent) of all women had PIAs amounting to no more than \$549, while about half of the men (48 percent) had PIAs of more than \$1,000. The lower PIAs for women reflect lower earnings and years spent out of the work force. More than three times the rate of dually entitled women (60 percent), compared with women entitled as workers only (19 percent), had PIAs under \$450 (table 5).

Table 6 shows the distribution of retired workers and widows by the monthly benefit amount payable, which reflects reductions for early retirement and, for dually entitled retired workers, includes the amount of the spousal benefit. In December 1996, retired-worker women received an average monthly benefit of \$643.60, compared with \$838.00 for their male counterparts. While only about 1 in 7 (14 percent) of retired-worker men received monthly benefits under \$500, more than one-third (36.4 percent) of women received benefits of that amount; and 43 percent of men, but only 17 percent of retired-worker women, received monthly benefits of \$900 or more. Benefits for nondisabled widows averaged \$708.60 and about one-fifth of these widows received monthly benefits of less than \$500. Close to another fifth received benefits of \$900 or more.

Notes

¹ "Facts on Working Women," U.S. Department of Labor, No. 96-2, September 1996, p. 2.

² Most of the benefit data are based on a 1 O-percent sample. For a discussion of the sample see the section "Sampling Variability" in the 1997 *Annual Statistical Supplement to the Social Security Bulletin*.

³ Women insured as workers who also qualify for a wife's or widow's benefit are not, in certain cases, required to apply for the worker benefit.

Table 1.— Number of women aged 16 or older in the civilian noninstitutionalized population and number and percent of those in the labor force, 1940-96

| Year ¹ | [Number in millions] | | | |
|------------------------------------|-------------------------------|--------|----------------|-------------------|
| | Total, number ² | Number | In labor force | |
| | | | As percent of— | |
| | | | All women | Total labor force |
| 1940 | 47.7 | 13.8 | 29 | 25 |
| 1950..... | 54.3 | 18.4 | 34 | 30 |
| 1960..... | 61.6 | 23.2 | 38 | 33 |
| 1970..... | 72.8 | 31.5 | 43 | 38 |
| 1980..... | 88.4 | 45.5 | 52 | 43 |
| 1990 ² | 98.8 | 56.8 | 57 | 45 |
| 1996..... | 104.4 | 61.9 | 59 | 46 |
| Percentage increase, 1940-96 | 118.9 | 348.5 | | |

¹For 1940, data are for March; for 1950-96, data are annual averages.

² Beginning in 1994, data are not strictly comparable with data for 1993 and prior years because of a major redesign of the Current Population Survey (household survey) questionnaire and collection methodology. For additional information, see "Revisions in the Current Population Survey Effective January 1994" in the February 1994 issue of *Employment and Earnings*. Beginning in 1990, data incorporate 1990 census-based population controls, adjusted for the estimated

undercount. For additional information, see "Revisions in Household Survey Data Effective February 1996" in the March 1996 issue of *Employment and Earnings*.

Source: Bureau of Labor Statistics, Department of Labor, in the January 1989 issue of *Employment and Earnings*, pp. 160-161, and the January 1997 issue, pp. 158-159.

Table 2.—Number and percentage distribution of women beneficiaries aged 62 or older, by type of benefit and dual-entitlement status in current payment status, December 1960-96

| Type of benefit | 1960 | 1970 | 1980 | 1990 | 1996 |
|---|-------|--------|--------|--------|--------------------|
| Number (in thousands) | | | | | |
| Total ¹ | 6,691 | 11,374 | 16,350 | 19,954 | 20,963 |
| Entitled as worker ² | 2,866 | 5,753 | 9,304 | 12,037 | 13,115 |
| Worker only..... | 2,563 | 4,786 | 6,710 | 7,359 | 7,597 |
| Dually entitled ³ | 303 | 967 | 2,594 | 4,678 | ⁴ 5,518 |
| Wife's benefit..... | 159 | 388 | 1,016 | 2,077 | 2,430 |
| Widow's benefit..... | 141 | 574 | 1,575 | 2,600 | 3,087 |
| Entitled as wife or widow only ³ | 3,753 | 5,621 | 7,046 | 7,917 | 7,848 |
| Wife's benefit..... | 2,174 | 2,546 | 2,884 | 3,059 | 2,937 |
| Widow's benefit ⁵ | 1,546 | 3,048 | 4,148 | 4,853 | 4,911 |
| Percentage distribution | | | | | |
| Total ¹ | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Entitled as worker ² | 43.3 | 50.6 | 56.9 | 60.3 | 62.6 |
| Worker only..... | 38.7 | 42.1 | 41.0 | 36.9 | 36.2 |
| Dually entitled ³ | 4.6 | 8.5 | 15.9 | 23.4 | ⁴ 26.3 |
| Wife's benefit..... | 2.4 | 3.4 | 6.2 | 10.4 | 11.6 |
| Widow's benefit..... | 2.1 | 5.0 | 9.6 | 13.0 | 14.7 |
| Entitled as wife or widow only ³ | 56.7 | 49.4 | 43.1 | 39.7 | 37.4 |
| Wife's benefit..... | 32.8 | 22.4 | 17.6 | 15.3 | 14.0 |
| Widow's benefit ⁵ | 23.4 | 26.8 | 25.4 | 24.3 | 23.4 |

¹Excludes special age-72 beneficiaries and adults receiving benefits because of childhood disability.

²Includes disabled workers.

³Includes parents.

⁴Based on a 10-percent sample.

⁵Includes disabled widows and mothers.

Table 3 .-Estimated number and percentage distribution of workers, by sex and insured status, December 1970-96

| Year | Number of workers (in thousands) | | | | Percentage increase from 1970 | | | |
|--------------|-------------------------------------|--------------|---------------------|---|-------------------------------|--------------|---------------------|---|
| | Fully insured ¹ | | | Disability insured, ² under age 65 | Fully insured ¹ | | | Disability insured, ² under age 65 |
| | Total number | Under age 65 | Aged 65 or older | | Total percent | Under age 65 | Aged 65 or older | |
| | | | | | | | | |
| Women | | | | | | | | |
| 1970.. | 45,398 | 39,627 | 5,772 | 24,656 | | | | |
| 1975..... | 53,835 | 46,411 | 7,424 | 30,982 | 18.6 | 17.1 | 28.6 | 25.7 |
| 1980..... | 63,510 | 54,481 | 9,029 | 40,189 | 39.9 | 37.5 | 56.4 | 63.0 |
| 1985..... | 69,962 | 59,264 | 10,698 | 46,676 | 54.1 | 49.6 | 85.3 | 89.3 |
| 1990..... | 77,533 | 65,184 | 12,349 | 53,215 | 70.8 | 64.5 | 114.7 | 115.8 |
| 1996.. | 83,808 | 70,073 | 13,735 | 59,364 | 84.6 | 76.8 | 140.0 | 140.8 |
| Men | | | | | | | | |
| 1970.. | 62,946 | 55,007 | 7,939 | 49,847 | ... | . | | . |
| 1975..... | 69,363 | 60,501 | 8,862 | 54,323 | 10.2 | 10.0 | 11.6 | 9.0 |
| 1980..... | 76,469 | 66,628 | 9,841 | 60,140 | 21.5 | 21.1 | 24.0 | 20.6 |
| 1985..... | 80,726 | 69,756 | 10,970 | 62,896 | 28.2 | 26.8 | 38.2 | 26.2 |
| 1990..... | 86,408 | 74,281 | 12,127 | 66,919 | 37.3 | 35.0 | 52.8 | 34.2 |
| 1996..... | 90,799 | 77,629 | 13,170 | 70,067 | 44.2 | 41.1 | 65.9 | 40.6 |

¹Includes transitionally insured persons.

² All workers insured for disability are also fully insured. Data

excludes persons aged 65 or older and, before 1966, persons aged 62-64 who were entitled to retirement benefits.

Table 4.—Number and average monthly benefit for women aged 65 or older, by age, type of benefit, and dual entitlement status, in current payment status, December 1996

| [Based on 10-percent sample] | | | | | | | |
|--------------------------------------|--------------|-----------|----------|----------|----------|----------|-------------|
| Type of benefit | Total number | Age group | | | | | 90 or older |
| | | 65-69 | 70-74 I | 75-79 | 80-84 | 85-89 | |
| Number (in thousands) | | | | | | | |
| Total ¹ | 18,821 | 4,723 | 4,710 | 3,908 | 2,831 | 1,689 | 960 |
| Entitled as worker | 11,761 | 3,046 | 2,953 | 2,428 | 1,763 | 1,020 | 550 |
| Worker only | 6,601 | 1,905 | 1,661 | 1,224 | 955 | 542 | 314 |
| Dually entitled | 5,160 | 1,141 | 1,292 | 1,204 | 808 | 478 | 236 |
| Wife's benefit.. .. | 2,098 | 814 | 682 | 412 | 145 | 39 | 7 |
| Widow's benefit | 3,062 | 327 | 611 | 792 | 663 | 440 | 229 |
| Entitled as wife or widow only | 7,061 | 1,676 | 1,757 | 1,480 | 1,068 | 668 | 410 |
| Wife's benefit..... | 2,555 | 878 | 790 | 525 | 256 | 88 | 18 |
| Widow's benefit | 4,505 | 799 | 967 | 955 | 812 | 580 | 392 |
| Percentage distribution | | | | | | | |
| Total ¹ | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Entitled as worker | 62.5 | 64.5 | 62.7 | 62.1 | 62.3 | 60.4 | 57.3 |
| Worker only..... | 35.1 | 40.3 | 35.3 | 31.3 | 33.7 | 32.1 | 32.7 |
| Dually entitled | 27.4 | 24.2 | 27.4 | 30.8 | 28.5 | 28.3 | 24.6 |
| Wife's benefit.. .. | 11.1 | 17.2 | 14.5 | 10.5 | 5.1 | 2.3 | .7 |
| Widow's benefit | 16.3 | 6.9 | 13.0 | 20.3 | 23.4 | 26.1 | 23.9 |
| Entitled as wife or widow only | 37.5 | 35.5 | 37.3 | 37.9 | 37.7 | 39.6 | 42.7 |
| Wife's benefit.. .. | 13.6 | 18.6 | 16.8 | 13.4 | 9.0 | 5.2 | 1.9 |
| Widow's benefit | 23.9 | 16.9 | 20.5 | 24.4 | 28.7 | 34.3 | 40.8 |
| Average monthly benefit | | | | | | | |
| Total ¹ | \$633.90 | \$565.80 | \$603.90 | \$657.30 | \$713.50 | \$700.90 | \$668.00 |
| Entitled as worker | 656.70 | 579.60 | 627.10 | 683.30 | 754.10 | 728.10 | 680.90 |
| Worker only.. .. | 635.30 | 589.00 | 615.20 | 635.30 | 728.80 | 691.00 | 642.60 |
| Dually entitled | 684.00 | 563.90 | 642.20 | 732.00 | 783.90 | 770.20 | 731.80 |
| Wife's benefit..... | 447.70 | 444.00 | 441.70 | 453.80 | 471.90 | 470.90 | 463.30 |
| Widow's benefit | 846.00 | 862.80 | 866.10 | 876.70 | 852.20 | 796.40 | 739.80 |
| Entitled as wife or widow only | 595.90 | 540.60 | 565.00 | 614.80 | 646.60 | 659.40 | 650.70 |
| Wife's benefit..... | 390.50 | 380.50 | 384.50 | 402.20 | 415.00 | 403.50 | 388.00 |
| Widow's benefit.. .. | 712.40 | 716.70 | 712.50 | 731.60 | 719.70 | 698.20 | 662.80 |

¹Excludes parents, special age-72 beneficiaries, and adults receiving benefits because of a childhood disability.

Table 5.—Number and percentage distribution of retired-worker beneficiaries with benefits in current-payment status, by primary insurance amount and sex, at end of 1996

| [Based on 10-percent sample] | | | | | |
|------------------------------|--------------|------------|-----------------|-------------------------|--------------------------|
| Benefit amount | Total number | Men | | Women | |
| | | Total | Dually entitled | Worker-only entitlement | |
| | | | | | Primary insurance amount |
| Total number..... | 26,899,170 | 14,011,920 | 12,887,250 | 5,517,510 | 7,369,740 |
| Total percent..... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Less than \$300.00..... | 9.9 | 3.4 | 16.9 | 29.8 | 7.2 |
| \$300.00–\$349.90..... | 2.8 | 1.1 | 4.8 | 8.0 | 2.3 |
| \$350.00–\$399.90..... | 3.4 | 1.4 | 5.6 | 9.0 | 3.1 |
| \$400.00–\$449.90..... | 5.5 | 2.3 | 9.0 | 13.0 | 6.0 |
| \$450.00–\$499.90..... | 5.2 | 2.4 | 8.2 | 10.4 | 6.5 |
| \$500.00–\$549.90..... | 5.0 | 2.5 | 7.6 | 7.8 | 7.4 |
| \$550.00–\$599.90..... | 4.5 | 2.5 | 6.6 | 5.2 | 7.7 |
| \$600.00–\$649.90..... | 4.4 | 2.8 | 6.2 | 3.9 | 8.0 |
| \$650.00–\$699.90..... | 4.3 | 3.1 | 5.7 | 3.3 | 7.4 |
| \$700.00–\$749.90..... | 4.3 | 3.5 | 5.1 | 2.7 | 6.9 |
| \$750.00–\$799.90..... | 4.3 | 4.0 | 4.5 | 2.1 | 6.3 |
| \$800.00–\$849.90..... | 4.5 | 4.8 | 4.1 | 1.6 | 6.0 |
| \$850.00–\$899.90..... | 4.4 | 5.4 | 3.4 | 1.1 | 5.1 |
| \$900.00–\$949.90..... | 4.7 | 6.3 | 3.0 | .8 | 4.7 |
| \$950.00–\$999.90..... | 4.7 | 6.9 | 2.3 | .5 | 3.7 |
| \$1,000.00–\$1,049.90..... | 5.5 | 8.8 | 1.9 | .3 | 3.1 |
| \$1,050.00–\$1,099.90..... | 5.4 | 9.0 | 1.5 | .2 | 2.4 |
| \$1,100.00–\$1,149.90..... | 5.8 | 10.0 | 1.3 | ¹ .3 | ¹ 6.1 |
| \$1,150.00–\$1,199.90..... | 5.1 | 9.0 | .9 | | |
| \$1,200.00 or more..... | 6.2 | 10.7 | 1.3 | | |

¹ \$1,100 or more.

Table 6.-Number and percentage distribution of retired workers and nondisabled widows, by monthly benefit, December 1996

[Based on 10-percent sample]

| Monthly benefit | Retired workers | | Nondisabled widows |
|----------------------------|-----------------|------------|--------------------|
| | Men | Women | |
| Total number..... | 14,011,920 | 12,887,250 | 4,979,740 |
| Total percent..... | 100.0 | 100.0 | 100.0 |
| Less than \$300.00..... | 4.2 | 6.5 | 5.2 |
| \$300.00-\$349.90..... | 1.7 | 3.9 | 2.6 |
| \$350.00-\$399.90..... | 2.2 | 6.4 | 3.3 |
| \$400.00-\$449.90..... | 2.7 | 9.8 | 4.0 |
| \$450.00-\$499.90..... | 2.9 | 9.8 | 4.6 |
| \$500.00-\$549.90..... | 3.1 | 7.5 | 5.7 |
| \$550.00-\$599.90..... | 3.4 | 6.4 | 7.0 |
| \$600.00-\$649.90..... | 3.8 | 5.7 | 8.1 |
| \$650.00-\$699.90..... | 4.5 | 5.6 | 8.5 |
| \$700.00-\$749.90..... | 5.4 | 5.7 | 8.9 |
| \$750.00-\$799.90..... | 6.5 | 5.6 | 9.1 |
| \$800.00-\$849.90..... | 8.1 | 5.3 | 8.4 |
| \$850.00-\$899.90..... | 8.4 | 4.6 | 6.3 |
| \$900.00-\$949.90..... | 9.9 | 4.0 | 4.8 |
| \$950.00-\$999.90..... | 7.5 | 3.0 | 3.3 |
| \$1,000.00-\$1,049.90..... | 5.5 | 2.3 | 2.4 |
| \$1,050.00-\$1,099.90..... | 4.4 | 1.8 | 1.9 |
| \$1,100.00-\$1,149.90..... | 4.1 | 1.5 | 1.5 |
| \$1,150.00-\$1,199.90..... | 3.4 | 1.2 | 1.2 |
| \$1,200.00 or more..... | 8.4 | 3.2 | 3.3 |
| Average benefit..... | \$838.00 | \$643.60 | \$708.60 |